

REPORT OF THE 2005 SALARY SETTING SESSION



**WASHINGTON CITIZENS'
COMMISSION ON SALARIES FOR
ELECTED OFFICIALS**

JUNE 2005

Mission

To attract citizens of the highest quality to public service by basing the salaries of the state's elected officials on realistic standards and paying them according to the duties of their office.

Washington Citizens' Commission on Salaries for Elected Officials

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The citizens of Washington are welcome and encouraged to participate in the salary setting process.

This report has been posted on the Commission's web site at www.salaries.wa.gov

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Introduction

This report is intended to provide Washington's citizens and their elected officials with an overview of the work of the Washington Citizens' Commission on Salaries for Elected Officials in its 2005 salary setting session.

The Commission was created by the passage of House Joint Resolution 49, the 78th amendment to the Constitution, which was approved by the voters of the state on November 4, 1986. The measure removed the salary-setting function for the state's elected officials from the Legislature and vested it in an independent 16-member citizen commission.

Anticipating approval of the constitutional amendment, the Legislature passed ESHB 1331 which established the Commission on January 1, 1987. The first rotation of commissioners was appointed on February 15, 1987 and held their first meeting ten days later on February 25th.

The Commission is charged with setting the salaries of the elected officials in the Executive, Legislative, and Judicial branches of state government:

- Governor, Lieutenant Governor, Secretary of State, Treasurer, Auditor, Attorney General, Superintendent of Public Instruction, Commissioner of Public Lands, and the Insurance Commissioner.
- Members of the Legislature.
- Supreme Court Justices and judges of the Court of Appeals, Superior Court, and District Court.

2005 Commission Members

Name	Selected From	Term
Debra Alyea	Congressional District #6	7/1/04 – 6/30/08
Scott Baxter	Congressional District #5	7/1/04 – 6/30/08
Donald Lee Boggs, Jr.	Congressional District #9	7/1/04 – 6/30/08
Sue Byington, Chair	State Personnel Resources Board	7/1/02 – 6/30/06
Dale Carlisle	The Law	7/1/04 – 6/30/08
James Clark	Congressional District #7	5/11/05 – 6/30/08
Alan Doman	Congressional District #1	7/1/02 – 6/30/06
Kathleen Hanson	Congressional District #4	7/1/02 – 6/30/06
Kamaria Hightower	Organized Labor	7/1/04 – 6/30/08
David Holzmeister	Congressional District #3	7/1/02 – 6/30/06
Ron Hopkins, Vice Chair	Public Higher Education	7/1/04 – 6/30/08
Willeen Denton Hornbeck	Professional Personnel Management	7/1/02 – 6/30/06
David Irwin	Private Higher Education	7/1/04 – 6/30/08
Charles Ryan	Business	7/1/02 – 6/30/06
Dr. William Schwartz	Congressional District #2	7/1/02 – 6/30/06
Shirley Wicks	Congressional District #8	7/1/02 – 6/30/06

During the 2005 salary setting session, commissioners Byington, Hightower, Hopkins, Irwin, and Ryan were serving a second term. Commissioners Carlisle and Hornbeck were in their first term. All Congressional District members were in their first term. Ms. Byington served as Chair and Mr. Hopkins served as Vice Chair.

Joseph Blaney was selected to serve from Congressional District #7 for the term July 1, 2004 through June 30, 2008 but was removed from the Commission because of two unexcused absences. James Clark was appointed on May 11, 2005 to replace Mr. Blaney. Mr. Clark's term ends on June 30, 2008.

The Appointment Process

The Commission consists of 16 unpaid, citizen members who are selected by two methods set out in Chapter 43.05.305:

- Nine members are randomly drawn by the Secretary of State from the rolls of registered voters, one from each congressional district.
- Seven members are selected jointly by the President of the Senate and the Speaker of the House of Representatives. Five individuals are selected, one each, from the following fields: private institutions of higher education, business, professional personnel management, the law, and organized labor. Two individuals are recommended to the President of the Senate and the Speaker of the House for appointment: one is recommended by the chair of the State Personnel Resources Board and the other by the presidents of the state's four-year institutions of higher education.

The names of the 16 appointees are submitted to the Governor for formal appointment. The Governor may not remove a member unless there is cause for incapacity, incompetence, neglect of duty, malfeasance in office, or for a disqualifying change of residence. A disqualifying change of residence would occur if a commissioner moved out of the state or if a congressional district appointee moved outside the boundaries of his or her district.

Appointment Criteria

Statute requires that commissioners:

- Reside in the state.
- May not be or have an immediate family member who is a state official, public employee, or lobbyist. Immediate family is defined as parents, spouse, siblings, children, or dependent relatives regardless of whether they reside in the appointee's household.
- The seven members selected by the Secretary of the Senate and the Speaker of the House must have personnel management experience.

Commissioners' Terms

Commissioners are appointed to a four-year term and may not serve more than two terms.

To serve a second term, an appointee from one of the congressional districts would have to have his or her name randomly drawn a second time by the Secretary of State or meet the criteria and be selected through the legislative appointment process.

The Salary Setting Process

Chapter 43.03.300 RCW states that the purpose for creating the Salary Commission was to establish proper salaries for the elected officials and to remove political considerations from the process.

In setting the salaries of the elected officials, the Commission is directed to attract citizens of the highest quality to public service by basing salaries on realistic standards and paying the elected officials according to the duties of their office.

The Commission is required to set a two-year salary schedule for the elected officials during January through May of each odd-numbered year.

The first step in the 2005 salary setting process took place on January 27th with the adoption of a "proposed" salary schedule for 2005 and 2006. Four public meetings were held in areas around the state to provide the public with the opportunity to comment on the "proposal".

At the last public meeting on May 19th, the Commission adopted the final two-year salary schedule. The salary schedule was filed with the Secretary of State on June 1, 2005. It will become law 90 days after filing unless overturned by voter referendum. The effective dates of the salary schedule are September 1, 2005 and September 1, 2006.

In setting the elected officials' salaries, the Commission may:

- Make salary adjustments to individual positions or a group of positions (such as the Judiciary) for alignment or equity purposes, to recognize additional responsibility, etc.
- Grant cost-of-living adjustments (COLAs) or make flat dollar adjustments to individual positions, a group or groups of positions, or to all positions; or
- Make no change, retain the current salary level.

The Constitution expressly forbids the Commission from decreasing an elected official's salary during his or her term of office.

The Commission sets the salaries of the following positions:

	<u># of Positions</u>
Executive Branch	9
Governor	
Lieutenant Governor	
Secretary of State	
Treasurer	
Auditor	
Attorney General	
Superintendent of Public Instruction	
Commissioner of Public Lands	
Insurance Commissioner	
Legislative Branch	
Members of the House	98
Members of the Senate	49
Judicial Branch	
Justices of the Supreme Court	9
Judges of the Court of Appeals	22
Superior Court Judges	177
District Court Judges	113
Total Positions	477

Notes:

1. The Commission does not set the salaries of municipal court judges
2. Superior court judges' salaries are funded 50/50 by the state and the county in which the court is located.
3. District court judges' salaries are funded 100% by the county in which the court is located.

The 2005 Salary Setting Session

Statute is very specific about how and when the salary setting business must be conducted. In meeting its Constitutional mandate, the Commission held the following public meetings:

<u>Date</u>	<u>Place</u>
January 27 th	Olympia
February 24 th	Olympia
March 24 th	Vancouver
April 28 th	Wenatchee
May 19 th	SeaTac

Meeting Highlights

January 27th Meeting in Olympia

Members of the Legislature and the Judiciary were invited to make a presentation about the duties and responsibilities of their positions.

- The Judiciary was represented by Barbara Madsen, Supreme Court Justice; Elaine Houghton, Presiding Chief Judge, Court of Appeals; Leonard Costello, Superior Court Judge; Eileen Kato, District Court Judge; and Janet McLane, Administrator, Administrative Office of the Courts.
- The Legislature was represented by Senator Harriet Spanel and Representative Ed Murray.
- One individual testified during the public hearing.

During the 2003 salary setting session, commissioners became increasingly concerned about the lack of objective data to assist them in making salary decisions for the positions in the Legislative and Judicial branches of government. The Commission requested and received funding from the Legislature to conduct a Willis Point Factor Evaluation of those positions.

In 2004, the Commission contracted with Fred Owen, Owen-Pottier Human Resource Consultants, to evaluate the position of legislator and the positions in the Judiciary. Mr. Owen presented the report on his work at the January meeting.

As required by statute, the proposed salary schedule for 2005-06 was adopted. The proposal called for a 1.5% increase effective September 1, 2005 and September 1, 2006 for all positions in the Executive, Judicial, and Legislative Branches of state government. In addition, the proposal called for a 1.0% increase for 2005 and 2006 for the position of legislator to begin to bring that position into alignment with positions in the state's Exempt Management Service (EMS).

February 24th Meeting in Olympia

Members of the Executive Branch were invited to make presentations about the duties and responsibilities of their positions. Testifying before the Commission were:

- Mike Murphy, Treasurer
- Dr. Terry Bergeson, Superintendent of Public Instruction
- Sam Reed, Secretary of State
- Brad Owen, Lieutenant Governor
- Brian Sonntag, Auditor
- Doug Sutherland, Commissioner of Public Lands
- Mike Kreidler, Insurance Commissioner

Governor Gregoire was unable to attend but sent a letter supporting the Commission's use of the Willis System to set salaries for the elected officials. The letter was read into the minutes. Attorney General McKenna had a conflict and would make his presentation at the March 24th meeting.

Chief Justice Gerry Alexander presented testimony. Also representing the Judiciary were: Judge Leonard Costello, Superior Court; Judge Eileen Kato, District Court; and Janet McLane, Administrator for the Administrative Office of the Courts.

No members of the public attended the meeting.

March 24th Meeting in Vancouver

Attorney General McKenna presented testimony about his position.

Cary Randow, Compensation Manager for the Department of Personnel made a presentation about compensation for exempt executives in the state system.

During the public hearing, one individual testified. Representing the Judiciary were Judge Robert Harris, Superior Court; Judge C. C. Bridgewater, Court of Appeals; Judge Leonard Costello, Superior Court Judge; Judge Eileen Kato, District Court; and Janet McLane, Administrator, Administrative Office of the Courts.

Commissioners discussed the proposed 2005-06 salary schedule, the documentation they had received, and the testimony they had heard to date.

April 28th Meeting in Wenatchee

No members of the public attended the meeting. Present and representing the Judiciary were Judge Alicia Nakata, Chelan County District Court; Judge John A. Schultheis, Court of Appeals, Judge Chip Small, Chelan County Superior Court, and Janet McLane, Administrator, Administrative Officer of the Courts.

Commissioners discussed the proposed 2005-06 salary schedule, the documentation they had received, and the testimony they had heard to date.

May 19th Meeting in SeaTac

Dr. ChangMook Sohn, Executive Director of the Forecast Council presented information on the state's economic condition and the March 2005 forecast.

No members of the public attended the meeting. Newly appointed Commissioner Clark was in attendance to observe the proceedings. Present and representing the Judiciary was Janet McLane, Administrator, Administrative Office of the Courts.

Commissioners adopted the 2005-06 salary schedule for the state's elected officials. The effective dates are September 1, 2005 and September 1, 2006. Statute requires an affirmative vote of 9 members to enact salary changes.

- By a vote of 13 to 1, the Commission granted a COLA of 2% per year for all positions in the Executive, Judicial, and Legislative branches.
- By a vote of 11 to 3, the Commission granted an additional 1% per year to the base legislator pay to begin to move that position into alignment with positions in the state's Exempt Management Service (EMS).
- By a vote of 13 to 1, the Commission granted an additional 1% per year to the base salary of the Judicial Branch positions to begin to move them into alignment with the Federal bench.

Just prior to the May meeting, the Commission received a letter from Senator Jeanne Kohl-Welles asking that committee chairs also receive the annual legislative leadership stipend. The Commission determined

that the request had come too late in the process to consider in the 2005 salary setting session. The Commission determined that a letter to legislative leaders from the Chair should be sent asking for input into the question of which positions should be considered for the additional leadership stipend. The 2007 Commission will take up this issue.

The Commission received a May 3, 2005 letter from Auditor Sonntag providing information in addition to his testimony at the February 24th meeting. He informed commissioners that the 2005 Legislature made a significant increase in the duties and responsibilities of his position by directing his office to conduct performance audits of state agencies. Commissioners felt this information had come too late in the process to consider an equity adjustment in 2005. However, the Director was directed to contract with the Department of Personnel, Compensation Division, to re-evaluate the nine positions in the Executive Branch prior to the 2007 salary setting session.

Meeting Information

Minutes of the meetings are on-line on the Commission's Web site at www.salaries.wa.gov on the Meetings Page. They may also be obtained by calling (360) 725-5670 or sending a request via email to tamarap@salaries.wa.gov.

The January, April, and May meetings were filmed by TVW, the state's public television system, and are generally shown on cable station 23. Persons interested in viewing those meetings should contact their local cable station for viewing dates and times.

All meetings were well publicized and the public was invited to attend and present their views. Those citizens who could not attend the meetings were encouraged to make their views known via mail, phone, fax, or e-mail. Information was also available through the Commission's web site at www.salaries.wa.gov with direct links to staff for ease of public access.

Prior to each meeting staff provided meeting information to 127 media contacts at newspapers, radio, and TV across the state. Meeting information was posted on the state's home page at www.access.wa.gov and on the Commission's web site. In spite of these efforts, public input was disappointing. Two individuals testified before the Commission and 50 individuals contacted the Commission to express their opinion.

Factors Considered in the Salary Setting Process

Commissioners considered many factors and much data in their decision-making process. Some of the factors considered include:

- Oral, written, and emailed testimony from citizens.
- Formal testimony and/or written input by the elected officials in the Executive, Legislative, and Judicial branches.
- Documentation relative to the duties of the judiciary and testimony from Chief Justice Alexander regarding the importance of small, regular cost-of-living increases and a recommendation to align the state's Judiciary with the Federal bench.
- Results of the 2004 Willis Point Factor Evaluation of the positions in the Legislative and Judicial Branch by Fred Owen, Owen-Pottier, Human Resource Consultants, Inc.
- A presentation by Cary Randow, Compensation Manager for the Department of Personnel, regarding compensation of exempt executives in the state system.
- A presentation on the state's economy by Dr. ChangMook Sohn, Executive Director of the Washington State Forecast Council.

- The November 2004 and March 2005 economic forecasts from the Office of the Forecast Council.
- Reports, studies, and data regarding the economy, revenue and expenditures, wage and salary trends, etc.
- Data from the Council of State Governments' *2004 Book of the States* comparing salaries of Executive Branch elected positions with their peer positions in other states.
- A comparison of judicial salaries from the Council of State Governments' *2004 Book of the States*. The Administrative Office of the Courts provided two reports dated November 2004, *A National Comparison of State Court Judicial Salaries* and *The Duties of Judges in Washington Courts*, as well as comparisons of state judicial salaries with the Federal bench and information regarding state judges leaving the bench for private mediation and arbitration firms.
- A comparison of legislative salaries and per diem (living expenses) in the United States from a report by the National Conference of State Legislatures. Comparison data was also taken from the Council of State Governments' *2004 Book of the States*. The National Conference of State Legislatures provided information regarding full-time and part-time Legislatures.
- Comparisons of the salaries of comparable city and county positions in the state with the salaries of the state elected officials from the *2004 Salary and Benefits Survey* conducted by the Association of Washington Cities.
- A comparison of the salaries of the appointed agency heads (directors) set by the State Committee on Agency Officials' Salaries vs. the salaries of the Executive Branch elected officials.
- State of Washington salary data provided by the Department of Personnel.
- Position descriptions for the Executive Branch elected officials.
- Information showing positions in the offices of the elected officials' whose salaries are higher than the elected official.
- The House, Senate, and Governor Gregoire's budget proposals for state employee salary increases and the budget adopted by the Legislature for 2005-07.
- Salary history of the state's elected officials and state employees.

The 2005-06 Salary Schedule is presented on the following page.

2005-06 Salary Schedule

Position	Effective Sept. 1, 2005	Effective Sept. 1, 2006
<i>Executive Branch</i>		
Governor	148,035	150,995
Lieutenant Governor	77,382	78,930
Secretary of State	103,736	105,811
Treasurer	103,736	105,811
Auditor	103,736	105,811
Attorney General	134,577	137,268
Superintendent of Public Instruction	105,861	107,978
Commissioner of Public Lands	105,861	107,978
Insurance Commissioner	103,736	105,811
<i>Judicial Branch</i>		
Supreme Court Justices	141,394	145,636
Court of Appeals Judges	134,598	138,636
Superior Court Judges	128,143	131,988
District Court Judges	122,012	125,672
<i>Legislative Branch</i>		
Legislators	35,254	36,311
Speaker of the House	43,254	44,311
Senate Majority Leader	43,254	44,311
House Minority Leader	39,254	40,311
Senate Minority Leader	39,254	40,311

Notes:

1. A 2% per year COLA was granted for all positions in the Executive, Legislative, and Judicial branches of state government.
2. An additional 1% per year was granted to the base pay of legislators to begin to bring them into alignment with positions in the state's Exempt Management Service (EMS).
3. An additional 1% per year to the Judiciary was granted to begin to bring them into alignment with the Federal bench.
4. The legislative leadership stipend is a flat dollar amount on top of the base legislator pay.
5. In January 2007, the Commission will begin its work to adopt the salary schedule for 2007 and 2008.

Legal Authority

Legal authority for the Commission's operation is found in Article 28 of the Washington State Constitution and Chapter 43.03.300 to .310 RCW.

Article 28 of the Constitution

Salaries for members of the legislature, elected officials of the executive branch of state government, and judges of the state's supreme court, court of appeals, superior courts, and district courts shall be fixed by an independent commission created and directed by law to that purpose.

RCW 43.03.300

...declares it to be the policy of this state to base salaries of elected state officials on realistic standards in order that such officials may be paid according to the duties of their offices and so that citizens of the highest quality may be attracted to public service.

RCW 43.03.305

There is created a commission to be known as the Washington citizens' commission on salaries for elected officials, to consist of 16 members appointed by the governor...

RCW 43.03.310

...the commission...shall study the relationship of salaries to the duties of members of the legislature, all elected officials of the executive branch of state government, and all judges of the supreme court, court of appeals, superior courts, and district courts, and shall fix the salary for each respective position.

Other Salary Commissions

Twenty states have compensation commissions authorized by constitution or statute: Alabama, Alaska, Arizona, Colorado, Connecticut, Delaware, Georgia, Hawaii, Illinois, Iowa, Louisiana, Maine, Maryland, Michigan, Minnesota, Missouri, Oregon, Rhode Island, Utah, and Washington.

In ten of the states, the recommendations of the commissions are advisory to the governor and/or the legislature. In nine of the states, the recommendations become law unless the legislature modifies or rejects them. Only in Washington does the salary schedule become law without input from either the Governor or the Legislature.

Office and Staff

Carol Sayer, Director, has been with the Commission since November 1998. Tamara Piñero, Executive Assistant, has been with the Commission since December 2002.

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Salary History – 1987 to 2006

A chart showing the history of salaries for the elected officials from the Commission's first year through its work in the 2005 salary setting session is found on the following page.

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Salary History 1987 to 2006

Position	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Executive Branch											
Governor	83,800	93,900	96,700	99,600	112,000	121,000	121,000	121,000	121,000	121,000	121,000
Lieutenant Governor	45,000	48,000	51,100	52,600	58,600	62,700	62,700	62,700	62,700	62,700	62,700
Secretary of State	46,300	50,200	52,600	54,200	60,100	64,300	64,300	64,300	64,300	64,300	69,000
Treasurer	54,250	62,050	65,000	67,000	74,400	79,500	79,500	79,500	84,100	84,100	84,100
Auditor	55,250	64,050	67,100	69,100	77,800	84,100	84,100	84,100	84,100	84,100	84,100
Attorney General	63,800	72,200	75,700	78,000	86,400	92,000	92,000	92,000	92,000	92,000	93,000
Supt. Public Instruction	59,950	66,600	69,800	71,900	80,500	86,600	86,600	86,600	86,600	86,600	86,600
Com. of Public Lands	59,950	66,600	69,800	71,900	80,500	86,600	86,600	86,600	86,600	86,600	86,600
Insurance Com.	53,700	61,000	63,900	65,800	72,700	77,200	77,200	77,200	77,200	77,200	77,200
Judicial Branch											
Supreme Court Justice	75,900	82,700	86,700	89,300	99,900	107,200	107,200	107,200	109,880	109,880	112,078
Appeals Court Judges	72,100	78,600	82,400	84,900	95,000	101,900	101,900	101,900	104,448	104,448	106,537
Superior Court Judges	68,500	74,600	78,200	80,500	90,100	96,600	96,600	96,600	99,015	99,015	100,995
District Court Judges	62,100	71,000	74,400	76,600	85,700	91,900	91,900	91,900	94,198	94,198	96,082
Legislative Branch											
Legislator	15,500	16,500	17,900	19,900	23,900	25,900	25,900	25,900	27,100	28,300	28,300
Speaker of the House	*	*	19,700	21,900	29,000	33,900	33,900	33,900	35,100	36,300	36,300
Senate Majority Leader	*	*	18,800	20,900	25,100	29,900	29,900	29,900	31,100	32,300	32,300
House Minority Leader	*	*	18,800	20,900	25,100	29,900	29,900	29,900	31,100	32,000	32,000
Senate Minority Leader	*	*	18,800	20,900	25,100	29,900	29,900	29,900	31,100	32,000	32,000

*The annual legislative stipend for leadership duties was not adopted until the 1989 salary setting session.

Position	1998	1999	2000	2001	2002	2003	2004	2005	2006
Executive Branch									
Governor	121,000	132,000	135,960	139,087	142,286	142,286	145,132	148,035	150,995
Lieutenant Governor	62,700	69,000	71,070	72,705	74,377	74,377	75,865	77,382	78,930
Secretary of State	69,000	75,900	78,177	89,001	91,048	99,708	101,702	103,736	105,811
Treasurer	84,100	92,500	95,275	97,466	99,708	99,708	101,702	103,736	105,811
Auditor	84,100	92,500	95,275	97,466	99,708	99,708	101,702	103,736	105,811
Attorney General	93,000	120,000	123,600	126,443	129,351	129,351	131,938	134,577	137,268
Supt. Public Instruction	86,600	94,394	97,226	99,462	101,750	101,750	103,785	105,861	107,978
Com. of Public Lands	86,600	94,394	97,226	99,462	101,750	101,750	103,785	105,861	107,978
Insurance Com.	77,200	86,000	88,580	90,617	92,702	99,708	101,702	103,736	105,811
Judicial Branch									
Supreme Court Justice	112,078	120,000	123,600	131,558	134,584	134,584	137,276	141,394	145,636
Appeals Court Judges	106,537	114,000	117,420	125,236	128,116	128,116	130,678	134,598	138,636
Superior Court Judges	100,995	108,300	111,549	119,230	121,972	121,972	124,411	128,143	131,988
District Court Judges	96,082	102,885	105,972	113,524	116,135	116,135	118,458	122,012	125,672
Legislative Branch									
Legislators	28,300	31,130	32,064	32,801	33,556	33,556	34,227	35,254	36,311
Speaker of the House	36,300	39,120	40,064	40,801	41,556	41,556	42,227	43,254	44,311
Senate Majority Leader	32,300	35,130	36,064	40,801	41,556	41,556	42,227	43,254	44,311
House Minority Leader	32,300	35,130	36,064	36,801	37,556	37,556	38,227	39,254	40,311
Senate Minority Leader	32,300	35,130	36,064	36,801	37,556	37,556	38,227	39,254	40,311